



# CTTCinsights

NEWS FROM THE CALIFORNIA TRAVEL AND TOURISM COMMISSION

FALL  
2004

## Don't Miss Out! CTTC Media Events in Los Angeles, New York and San Francisco

The California Travel and Tourism Commission (CTTC) is conducting a series of upcoming events over the next year to provide an opportunity to network and reach key media.

The first event, already in the final planning stages, is scheduled for Wednesday evening, December 1, at the Walt Disney Concert Hall in downtown Los Angeles.

The second event, the highly successful New York Media Marketplace and Reception, is scheduled for Tuesday evening, February 22, 2005, at the Westin

Essex House in New York. Under the well-established "California, Find Yourself Here" campaign, the New York event will include a reception and marketplace where California delegates can meet one-on-one with key New York media to pitch story ideas and make valuable editorial contacts. Registration for the media event is \$1,200 per delegate and includes: participation in the California reception and marketplace, an up-to-date New York area media list and exposure on the CTTC's [www.visitcalifornia.com](http://www.visitcalifornia.com) Web site. Airfare and accommodations are not included,

but a discounted group rate at the hotel is available. The registration deadline is December 17, 2004.

The third media event will be held in San Francisco in May or June 2005. Details will be released at the beginning of 2005.

For additional information or to register for these events, please contact Leona Reed, Communications Coordinator, at 916-444-6798 or [lreed@cttc1.com](mailto:lreed@cttc1.com), or Jennifer Jasper, Deputy Director, Communications, at 916-447-0981 or [jjasper@cttc1.com](mailto:jjasper@cttc1.com).

## Strategic Planning Underway...

### Industry Establishes Future Funding Goals for the Promotion of California Tourism

By Claire Bilby and Ted Burke, CTTC Vice Chairs

#### Historical Perspective

Since the California Travel and Tourism Commission (CTTC) was formed six years ago, California tourism has experienced a great deal of growth and success. Highlights include: re-gaining the domestic market share that was lost over the prior ten years, increasing from 9.7 percent to 11.5 percent from 1998–2002; the creation and worldwide distribution of the *Adventures in Wild California* IMAX



film; the award-winning "Welcome to California" television ad that showcases the state's icons and celebrities like Jack Nicholson, Clint Eastwood, Michael Eisner, Wolfgang Puck, Governor Arnold

continued on page 10



### Inside

- 2** Pacific Rim Market Activity
- 4** Co-op Corner
- 6** CTTC Update
- 8** International Update
- 12** Who Visits  
[www.visitcalifornia.com](http://www.visitcalifornia.com)
- 14** Fall to Winter Travel Forecast



# New Developments in Key Pacific Rim Markets

## California Prepares for Japan Mission and New Air Service to Vietnam



By Caroline Beteta,  
Executive Director,  
California Travel and  
Tourism Commission

It is no secret that international in-bound travel to California remains an important part of the state's visitor mix. International visitors stay longer and spend more money than their domestic counterparts, and they tend to travel

during shoulder and off-peak periods when tourism enterprises need business the most.

While California still has a long road to recovery with the Asian in-bound market, particularly with Japan, a couple of new and exciting initiatives taking place this fall are hopeful indicators that the Pacific Rim will continue to be an important source of visitors for California, both now and in the future.

First and foremost, Governor Schwarzenegger is just weeks away from departing on his first official overseas

trade mission to Japan. During his visit, the Governor and business delegation accompanying him will be focusing on foreign investment and export development opportunities in key industry sectors, including high-technology, manufacturing, agriculture, entertainment, and yes, tourism!

Equally exciting is that for the first time on a Governor's mission, tourism will take center stage and be a key selling point in Japan. While there, the Governor, in partnership with the California Travel and Tourism Commission (CTTC) and other travel industry partners, will be announcing a major "Arnold invites you to visit California" promotional campaign. The goal of the Governor's mission in Japan is to leverage his presence well beyond the time he will actually be there. To that end, a number of promotional activities organized by the CTTC will be utilized to increase Japanese in-bound travel during the 2005–2006 timeframe. While details are still being finalized, the "Arnold invites you to visit California" campaign will

leverage the Japanese government's directive to double the number of Japanese traveling to out-bound destinations by the year 2020.

This effort and focus on Japan could not have come at a better time. Since the mid-to-late 1990s, California has lost a staggering 50 percent of its Japanese visitor base, going from 1,256,000 visitors in 1997 to 590,000 visitors in 2003. Once California's largest overseas market, Japan is now second to the United Kingdom. However, Japanese arrivals at California ports of entry have shown very large gains in 2004 compared to 2003, when Asian travel was hit hard by the SARS outbreak, the downturn in the Japanese economy and the continued unrest in the Middle East. Thus, the CTTC is very optimistic about partnering with the Governor right now to help spur demand for California as a travel destination in the coming year and into 2006.

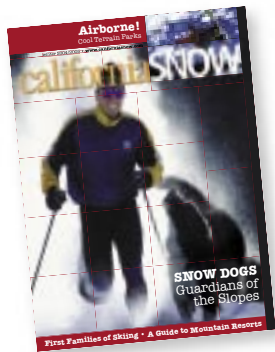
In other developments, California is about to be on the forefront of the re-opening of a new Asian market — Vietnam! Thanks to

continued on page 11

## Upcoming Travel Trade Activities

The programs below represent upcoming travel trade activities that the California Travel and Tourism Commission (CTTC) will be participating in to promote travel across California. The programs vary from: trade shows that will feature an official California booth or section; VIP California events to educate tour operators or travel agents; sales missions with targeted travel trade events; and other trade shows organized by related tourism organizations that California will be involved with. For more information on how to get involved in one of the programs, please contact Terry Selk, Director of Travel Trade Development, at 916-319-5411 or [tselk@cttc1.com](mailto:tselk@cttc1.com).

Upcoming programs include: **World Travel Market** in London from November 8–11, 2004; **National Tour Association Convention** in Toronto from November 12–16, 2004; **Mexico Sales Mission/CVA** in Mexico City and Guadalajara from January 17–21, 2005; **American Bus Association Convention** in Chicago from February 4–9, 2005; **California Travel Market** in Sacramento and South Lake Tahoe from February 13–17, 2005; **ITB** in Berlin from March 11–15, 2005; and **TIA's Discover America Pow Wow** in New York from May 4–8, 2005.



## Visitors Encouraged to Hit the Slopes with *California Snow*

For 16 years, *California Snow* has been the definitive resource for skiers and snowboarders who hit the slopes each season in search of adventure, excitement and fun. Cooperatively produced by the California Ski Industry Association (CSIA) and the California Travel and Tourism Commission (CTTC), *California Snow* provides readers with the latest information on California's wealth of mountain resorts, including: hot tips on lodging, dining, entertainment and the winter calendar of events. The new four-color guide will have a circulation of 170,000 copies and is expected to be available in November 2004. *California Snow* will be distributed in California, Las Vegas, Phoenix and Reno. Additionally, the publication will be distributed with California Tourism's fulfillment packets, at California Welcome Centers and at various DMOs. To receive a copy or for information about program sponsorships, advertising or [www.californiasnow.com](http://www.californiasnow.com), please contact the CSIA at 415-543-7036.

## The Best of California Honored at Annual TIA Event

The California Travel and Tourism Commission (CTTC) was recently honored with a Mercury Award in the Film/Audio Visual category for *The Best of California* (TBOC) television series. The award was presented at the National Council of State Tourism Directors (NCSTD) closing ceremony during the 21<sup>st</sup> annual Educational Seminar for Tourism Organizations (ESTO) in Portland, Oregon. The Mercury Awards were established by the Travel Industry Association of America (TIA) in 1985 to recognize state and territory tourism offices for excellence and creative accomplishments in travel marketing and promotion.

For the third consecutive year, the 13-week TBOC television series ran concurrent to the CTTC's advertising campaign and featured the travel writers and editors of *Sunset* magazine exploring the many facets of California travel. The 30-minute TBOC shows ran on primary network affiliate stations in 19 western U.S. markets, with the potential to reach 15 million TV households. A Spanish



Pictured with the CTTC's Mercury Award for the TBOC television series are (left to right): Paul Sacco, Executive Director, Massachusetts Office of Travel & Tourism; Caroline Beteta, Executive Director, CTTC; Susan Wilcox, Chief Deputy Director, CTTC; and Larry Meehan, Director of Public Relations and Tourism, Greater Boston Convention & Visitors Bureau.

language version of TBOC was also created and carried by Telemundo stations throughout California, with a reach of 2.7 million households. Viewers were directed to the interactive [www.bestofcaliforniatv.com](http://www.bestofcaliforniatv.com) Web site, with additional details on travel products, streaming video, special deals and downloadable coupons.



## Surf Conditions

As the California Travel and Tourism Commission (CTTC) geared up for the busiest travel months of the year, [www.visitcalifornia.com](http://www.visitcalifornia.com) experienced impressive activity. The average monthly hits<sup>1</sup> for February through June 2004 was 5,699,964, an increase from the same period in 2003. In addition, from February through June 2004, the site received a total of 464,604 unique visitors<sup>2</sup>. March alone had 105,350 unique visitors, 10,000 more than in March 2003.

### Following are highlights for the period of February through June 2004:

- **Jumping June:** For the month of June, the CTTC's Web site received the most hits of any other month in history, a total of 7,073,679. The count surpassed seven million hits for the first time ever!
- **I Left My Heart In San Francisco:** Of the 12 regions used for marketing purposes, the San Francisco Bay Area was the most visited region on [www.visitcalifornia.com](http://www.visitcalifornia.com). The average monthly visitor sessions<sup>3</sup> in this region of the Web site for February through June was 6,818.
- **Mid-Day Fun:** The busiest time of the day on [www.visitcalifornia.com](http://www.visitcalifornia.com) was from 11 a.m.–2 p.m. This three-hour period made up for nearly 20 percent of the day's activity on the Web site.

<sup>1</sup> When a Web page is visited, a **hit** represents the number of individual requests a server receives to render the page viewable. Each image on a page counts as one request, and each page may contain numerous images. A visit to a Web page with three images will count as four hits — one for the download of the page file, and three hits for the images.

<sup>2</sup> **Unique visitors** are counted by using the visitor's Internet provider address, domain name or cookie.

<sup>3</sup> A **visitor session** is the number of distinct people who visit the site. This is estimated by grouping together all hits from one Internet provider address, with no more than 30 minutes between each hit, into one user session.



# Co-op Corner

## The CTTC Pushes Winter Travel to California



"Live life to the fullest and put pleasure first" continues as a key message in the 2004 winter cooperative campaign. Using an engaging eight-page advertorial, the program seeks to drive western U.S. residents to select California as their first choice for winter travel. The advertorial blends California's unique mixture of geography, scenic beauty and favorable weather, with its youthful, laid-back and inviting attitude. It focuses on traditional winter activities, as well as California's unique seasonal activities such as outdoor recreation, golfing, shopping, dining and cultural exploration. The cooperative insert will have a total circulation of 862,000 and will run in western U.S. markets in the November issue of *Travel & Leisure*, the November/December issue of *National Geographic Traveler* and the December issue of *Food & Wine*.

Travel industry members are encouraged to get involved in the winter campaign by taking advantage of the *free* online "Offer Wizard," a fully interactive, itinerary-based planning tool that highlights special travel values and

incentives on [www.visitcalifornia.com](http://www.visitcalifornia.com) and [www.bestofcaliforniatv.com](http://www.bestofcaliforniatv.com). To participate, go to [www.offerwizard.com](http://www.offerwizard.com) and click on "Business Registration." Once the general information under "Biz Info" has been entered and approved, California companies can submit product offers and discounts that travelers can review and add to their personal "California Vacation Offer Suitcase." For more information, contact Susan Wilcox, Chief Deputy Director, at 916-444-0430 or [swilcox@cttc1.com](mailto:swilcox@cttc1.com).

## Culture California Insert Recognized for TIA Odyssey Award

The California Cultural Tourism Coalition's 2003 African American insert was recently selected as a finalist in the Cultural Heritage category of 2004 Travel Industry Association of America (TIA) Odyssey Awards competition. The TIA Odyssey Awards, the premier recognition program for the \$552-billion travel and tourism industry, annually recognize the outstanding achievements of TIA-member organizations.

Currently, the California Cultural Tourism Coalition is working with heritage organizations statewide to compete for alternative funding sources. The [www.culturecalifornia.com](http://www.culturecalifornia.com) Web site continues to promote cultural, arts and heritage-related events throughout California. All culture-related businesses and organizations are encouraged to go online and post a free listing. For sponsorship opportunities, please contact Susan Wilcox, Chief Deputy Director, at 916-444-4429 or [swilcox@cttc1.com](mailto:swilcox@cttc1.com).



## California is the Spot for Fun!

The California Fun Spots program, a cooperative group comprised of seven of California's hottest attractions, recently experienced a re-branding and launch of a new campaign for 2004. In June, the California Fun Spots program released a new Web site at [www.cafunspots.com](http://www.cafunspots.com).

Focusing on a two-tier level to provide information for parents, along with fun for kids, the interactive Web site contains downloadable coupons, events, insider tips, live cameras from the parks, games, activities and direct links to each of the member parks. The site is updated quarterly to provide the most accurate and up-to-date information. Participants include LEGOLAND® California, Monterey Bay Aquarium, San Diego Zoo, San Diego Zoo's Wild Animal Park, SeaWorld Adventure Park, Six Flags Magic Mountain and Universal Studios Hollywood™. For more information, please contact Tiffany McKenzie, Cooperative Marketing Coordinator, at 916-319-5419 or [tmckenzie@cttc1.com](mailto:tmckenzie@cttc1.com).

## Shop California's New Partnership

Shop California continues to promote shopping as a year-round activity with



participation in the upcoming CTTC winter cooperative insert. Supporting these efforts, the [www.shopcalifornia.org](http://www.shopcalifornia.org) Web site provides a guide to navigate through California's varied shopping destinations, including world-class shopping centers, name-brand boutiques, outlet malls,

## PARTNERSHIP OPPORTUNITIES

outdoor marketplaces, specialty shops, and more. A value-added offer provides a downloadable voucher from the Web site to receive savings and incentives at participating locations. Shop California will be launching a new, exciting partnership with Shop America in 2005 by becoming a sustaining member of the organization, further supporting increased exposure for all Shop California members. Retailers are invited to take advantage of the wealth of opportunities by joining Shop California or by obtaining a free listing at [www.shopcalifornia.org](http://www.shopcalifornia.org). For more information, please contact Tiffany McKenzie, Cooperative Marketing Coordinator, at 916-319-5419 or [tmckenzie@cttc1.com](mailto:tmckenzie@cttc1.com).

### California Golf Continues to Expand Marketing Program

The California Golf program continued its aggressive mix of cooperative marketing activities, revolving around the release of the second annual *California Official State Golf Guide 2004–2005*, the 13-episode California Golf television series, two California golf tournaments and an array of cooperative marketing partners. For more information on any of the following California Golf activities, contact Terry Selk, Director of Travel Trade Development, at 916-319-5411 or [tselk@cttc1.com](mailto:tselk@cttc1.com).

#### New Golf Guide

A total of 50,000 copies of the *California Official State Golf Guide 2004–2005* were produced with a new, more condensed look. Distribution of the guide includes: United Airline's Red Carpet Clubs worldwide; the 11 California Welcome



Centers; several golf consumer shows; CTTC travel trade and consumer shows; and specialized cooperative marketing efforts with partners such as Beringer Blass.

#### California GolfTV Series

The signature achievement for California Golf during the first half of 2004 was the release of the California Golf television series. Featuring 13 episodes of golf and travel product from the high mountains to the deserts and gateway areas, the TV series has been playing since early April on *The Golf Channel* in the United Kingdom and *The Travel Channel* in Europe, Africa and the Middle East. Each network has been showing one episode of the series per week for approximately 15 times during the peak viewing times of 2 p.m.–11 p.m. The accompanying [www.californiagolf.tv](http://www.californiagolf.tv) Web site, which features all 13 episodes and provides links and booking options for consumers, has been recording 750–1,000 unique visitors per week since the original broadcast of the series. These numbers are expected to jump significantly when United Airlines, the key sponsor of the series, soon launches the series into its in-flight programming system-wide.

#### Beringer Blass UK Golf Tournament

California Golf was a key sponsor of the second annual Beringer Blass UK Mixed Pair Golf Championships that included play-off rounds at nearly 260 golf clubs in the UK and Europe. During the six-month tournament, the California golf guide was distributed at participating clubs. The tournament's final rounds were played from September 26 to October 1 at the Chardonnay Golf Club in Napa and the Bodega Harbour Golf Links in Bodega Bay.

#### California Cup Golf Invitational

The inaugural California Cup Golf Invitational was conducted at the Rancho Bernardo Inn and Monarch Beach Golf Club from April 29–30, immediately following the Travel Industry Association of America's (TIA's) international Pow Wow in Los Angeles. The tournament included foursomes of key tour operator representatives from the markets of Japan, UK, Germany and Australia, as well as operators from the United States. The event drew the participation of important decision makers from such companies as DER in Germany, Nippon Travel in Japan, TalPacific in Australia and Ebookers.com in the UK. In addition to the golf contest, the group conducted hotel and destination site inspections in the north San Diego and Anaheim/Orange County regions. Many of the operators had never been to these areas, and thus, may have discovered some new product ideas for 2005 and beyond. The event was so well received that a 2005 California Cup Golf Invitational is being planned for the week before next year's TIA international Pow Wow.



# CTTC Update

## Marketing Committee/Commission Meetings and Assessed Business Receptions

- The Marketing Committee gathered in Marina del Rey on June 23 for a full-day meeting. An educational session and reception for local businesses was conducted later that day. On June 24, the California Travel and Tourism Commission (CTTC) Executive Committee met, followed by an all-day meeting of the Commission.

## CTTC Strategic Planning Committee and Process

- The CTTC's new Strategic Planning Committee and process was a major focus at the June meeting, on a series of subsequent conference calls, and at the September 14 Strategic Planning Meeting in Sacramento. Please see the guest column starting on page one for details on this industry-driven effort to establish future funding goals for the promotion of California tourism.

## Advertising Update

- In September, the official review process for the CTTC's advertising agency concluded with the decision to retain Mering and Associates for another three years. Mering was selected by the six-member Advertising Review for Proposal (RFP) Committee by virtue of their submitted creative and media plans, as well as their track record in prior years of consistently producing award-winning work for the CTTC. Mering is currently planning a spring 2005 campaign for the CTTC that will be previewed at the October Marketing Committee and Commission meetings.

## Winter Cooperative Campaign

- A unique eight-page advertorial was just completed to promote winter travel to California and will run in western U.S. publications in November and December. For details, please see the first entry in the Co-op Corner section on page four.

## Budget Update

- On July 31, Governor Schwarzenegger signed a balanced budget with no new taxes that promises to keep California on track for economic recovery. However, as was expected, no public funds were allocated to tourism marketing. The industry will continue its efforts to achieve government funding through the CTTC's Government Affairs Committee, the California Travel Industry Association (CalTIA) and other interested parties, but the reality is that the CTTC will be solely reliant on the approximately \$7 million in private assessed business funds for the 2004–2005 fiscal year. CTTC officers and industry leaders have also initiated a Strategic Planning Committee and process to discover other permanent ways to increase future funding for the promotion of California tourism. Please see the guest column starting on page one for more details.

## Assessment Revenues

- Final assessment revenues for the 2003–2004 fiscal year were \$6.9 million. The revenue distribution by industry segment was: accommodations at 60 percent; restaurant and retail at 17 percent; transportation and travel services at 13 percent; and attractions and recreation at 10 percent.

## CTTC Educational Presentations

- CTTC staff delivered educational presentations at the following events and conferences: California Travel Market in Anaheim, CTTC Commissioner Overview in Marina del Rey, Cultural and Heritage Tourism Conference in San Francisco, Southern California Marketing Director's Association in Los Angeles, Travel and Tourism Marketing Association Conference in San Pedro, Western Lodging Show in Sacramento, Hilton Luncheon in South San Francisco, California Rural Tourism Conference in Redding, Hospitality Excellence Forum in Sausalito, and various events hosted by convention and visitors bureaus across the state.
- CTTC educational presentations, in partnership with tourism-related associations and convention and visitors bureaus across the state, are conducted on an ongoing basis. To find out how to secure a presentation for your area or organization, please contact Lisa Kruttschnitt, Director of Public Affairs, at 415-332-4450 or [lkuttschnitt@cttc1.com](mailto:lkuttschnitt@cttc1.com).

The California Travel and Tourism Commission (CTTC) would like to recognize Ann Reicherter for her many years of service and outstanding contributions to California Tourism. Ann began her career with the State of California in 1978 in the auditor's office. In 1985, she started working for the California Trade and Commerce Agency's Division of Tourism as Budget Manager, and remained in that position through the transition to the California Business, Transportation and Housing Agency until her retirement in August 2004. Thank you Ann for your dedication and hard work — you will be missed!



# News Briefs



## California State Parks Voted Among Top 100 Family Campgrounds in America

ReserveAmerica, the reservation service for state parks throughout America, presented nine California State Parks with the "Top 100 Family Campground Award" based on park amenities, stunning outdoor scenery and educational facilities in more than 3,000 parks across the country. The California State Parks named in the top 100 include: Auburn State Recreation Area, Benbow Lake State Recreation Area, Calaveras Big Trees State Park, Emerald Bay State Park, Henry Cowell Redwoods State Park, Lake Orville State Recreation Area, Limekiln State Park, Palomar Mountain State Park and Russian Gulch State Park.



## Travel Industry Association of America's (TIA's) 2004 Pow Wow

Pow Wow, the travel industry's largest international tourism exchange, was held in Los Angeles and attracted over 5,000 delegates. The CTTC

organized a unified floor presence at the show for nearly 200 California-based companies, assisted with Governor Schwarzenegger's keynote address and conducted seven post-familiarization tours that attracted 81 press and delegates.



## CTTC Speaks at 2004 Western Lodging Show



Pictured at the 2004 Western Lodging Show's Industry Unity Dinner in Sacramento on September 13th (left to right): Rick Lawrance, President/CEO, California Lodging Industry Association (CLIA); Jim Abrams, President/CEO, California Hotel & Lodging Association (CHLA); Will Durst, Political Satirist and TV personality; Caroline Beteta, Executive Director, CTTC; and

Tarun Patel, Board Director, Asian American Hotel Owners Association (AAHOA) and California lodging property owner. Beteta spoke earlier at one of the trade show's general sessions about the impact of tourism and the CTTC's marketing programs. The 2004 Western Lodging Show featured nearly 150 vendors and suppliers, with more than 750 people in attendance over the two-day event.

## CTTC Attends 2004 Outdoor Writers Conference

Mono County and the Mammoth Mountain ski area provided a stunning backdrop for the 2004 Outdoor Writers Association of California (OWAC) Conference from September 12-14, with more than 50 OWAC members participating in OWAC activities that included: a trade show, educational sessions and a variety of field trips in Mono County. CTTC staff distributed press kits, photo CDs and other recreation-related collateral, and answered questions about tourism and outdoor recreation throughout California.

## Monterey Bay Aquarium Voted Number One Aquarium in the United States



According to the first-ever Zagat Survey® U.S. Family Travel Guide, the Monterey Bay Aquarium was voted as the #1 aquarium in the United States and rated as the #3 top overall family attraction. Zagat Survey®, the world's leading provider of consumer survey-based leisure content, together with *Parenting* magazine, surveyed over 11,000 travelers who rated family-oriented attractions, hotels and restaurants across the country.

## South Coast Plaza Named "The Ultimate Shopping Resort"



The U.S. Patent and Trademark Office approved South Coast Plaza's application for trademark registration as "The Ultimate Shopping Resort" — making it the first shopping resort to be named in the United States. South Coast Plaza offers a four-season destination for visitors and is the highest grossing planned retail center in the United States.



## International Update

### Australia

Representatives Leeanne Dyer and Fred Sparksman of Integra Tourism Marketing reported that travel from Australia to the United States continued to break records through the first and second quarters of 2004, compared to the same period of the previous year. The Australian dollar fluctuated between \$.69–\$.75 during the same period, but retained significant strength against the U.S. dollar compared to 2003 when it was around \$.50. The continued surge of travel to the United States is being fueled by the strength of the Australia and New Zealand economies, the weakened U.S. dollar, pent-up demand for travel to the United States and new air capacity from both countries to California. Earlier this year Air New Zealand introduced three weekly direct flights from Auckland to San Francisco, and Qantas started three new weekly flights from Brisbane to Los Angeles. Recently released statistics show that arrivals from Australia and New Zealand to California reached 260,000 in 2003, placing the markets amongst the state's top five overseas destinations.

The California Travel and Tourism Commission (CTTC) conducted the third California Sales Mission to Sydney and Melbourne, Australia and Auckland, New Zealand from August 16–20. The program included an aggressive schedule of tour operator sales calls, reservation agent/travel agent educational training sessions, media appointments, airline meetings and industry events. The delegation paid visits to 15 key tour operators, conducted training for approximately 200 tour operator reservation agents and retail travel agents, had product development discussions with United Airlines, Qantas and Air New Zealand and co-hosted a trade film event with Walt Disney Attractions and United Airlines for close to 200 key trade representatives.

### Brazil

Representative Newton Vieira of South Marketing reported that Travel Industry Association of America's (TIA's) figures show California increased from third to second place in total travelers from Brazil to the United States — surpassing New York and closing in on Florida. U.S. carriers based in Brazil (American Airlines, Continental Airlines, Delta Airlines and United Airlines) see California as their top priority

market after their destination hubs. South Marketing also reported that its other clients, many of which are California and U.S. tourism suppliers such as hotel chains and car rental companies, are recording approximately 35 percent growth in revenues from Brazilians over the last two years.

The efforts of South Marketing during the first quarter of 2004 included: attendance at the BRAZTOA show in São Paulo and distribution of over 1,000 sales kits to visiting travel agencies; creation of electronic newsletters covering different areas of California that were distributed to more than 1,000 agencies; an average of 200 sales calls per month to trade; and translation and distribution of monthly press releases. Due to significant budget challenges, the CTTC's trade office in Brazil was dissolved on June 30. We hope to re-establish representation in this market if the budget improves.

### Germany

Representative Martin Walter of Marketing Services International reported that the "United States is back in business." After five years of falling visitor numbers from Germany, the United States is seeing a strong comeback this year thanks to the cheaper dollar. German operators are now predicting stable prices for 2005. The U.S. dollar has fallen steadily against the euro in recent months, and increased security measures appear not to have kept tourists away. The strong demand among German consumers to visit North America is finally being unleashed after the adversities of recent years.

German tour operators forecast market growth of 5–20 percent for 2004. Market leader TUI reported increasing numbers for last winter, especially with tours to the western U.S. The trend for summer 2004 again showed increased interest in bus tours and fly drives to the western U.S. Overall, experts forecast that the German charter market will end 2004 with a growth rate of about three to four percent for revenues. The outlook for 2005 is a continuation of these trends. Operators and travel agents expect price to be a major factor for German consumers. In response, there will probably be more early booking discounts in the upcoming winter 2004–2005 brochures.

Public relations representative Gaby Wehle reports that Kleber PR's efforts resulted in media coverage with a total value of more than \$4.1 million during February through June 2004.

Publicity highlights from the reporting period include: media presence in German *Frankfurter Allgemeine Zeitung*, *Süddeutsche Zeitung* and *Gala*, and Austrian *Kronen Zeitung* and *Rondo* (a supplement of *Standard*, Austria's leading business daily newspaper); a six-page report on skiing in northern California in the magazine *Fit-for-fun*, with a circulation of 1.1 million; April's two-page raffle in *Berliner Zeitung* in co-operation with Air France, La Costa Hotel and Alamo featuring The Grand Wilshire Hotel; and a ten-page travel story covering golf courses along Highway 1 in the June issue of *about GOLF*. Kleber PR Network also organized media interviews and attendance at the successful California Wine Reception at ITB 2004.

### Japan

Representative Ko Ueno reported a significant rebound of Japan's overseas travel to California. The presence of SARS, the downturn in the Japan economy and the continued unrest in the Middle East/Iraq War have all kept the Japan's outbound market at bay for more than a year. However, the SARS threat is severely diminished, and the weakened U.S. dollar against the yen is helping overcome these factors.

Ueno's informal survey of various tour operators reveals that May and June 2004 sales to the United States show triple-digit growth of 120 percent and 100.8 percent, compared to May and June 2003. The first six months of 2004 indicate a healthy growth of more than 30 percent compared to 2003, although levels have not reached the pinnacle year of 2001. Tour operators report that package tours are up 200 and groups are up 300 percent compared to last fiscal year. Furthermore, the airlines are reporting that flights to the western U.S. were completely booked through September. In the ongoing effort to further attract an increasing number of travelers from Japan to California, a primary focus will be on repeat travelers and the emphasis on visitation to the state's national parks, in synchronization with TIA's SeeAmerica National Byways campaign. Official 2003 statistics show California recorded



590,000 Japanese visitor arrivals, placing the country second amongst overseas markets, just behind the UK.

Youth Planning Center (YPC) continued to represent the CTTC's media relations efforts in Japan through June 2004. During the period of February through June 2004, YPC's publicity and promotional efforts were directly responsible for \$962,000 in California coverage. YPC made 386 media contacts on behalf of the CTTC during the period. Major media coverage generated during the reporting period included: four-page and 14-page special features on the hidden treasures of Los Angeles in two issues of a lifestyle monthly; a four-page introduction of lesser known activities in Los Angeles in a travel trade journal; and a television series featuring five hotels and resorts in the San Diego area with details on the surrounding area that may receive an encore airing in early 2005.

## United Kingdom

Representative Caroline Mastoras of McCluskey International reported that the CTTC, together with 25 destinations, attractions and hotels, participated in a UK sales mission in September. The UK trade office themed this entertaining and educational mission "The Great California Games." Surfing, gold panning and sandcastle building were not only some of the typical activities that vacationers do in California, but also some of the activities that participants had to tackle. About 200 travel trade representatives were part of the events held at three venues in Glasgow, Scotland, and in Manchester and Crawley, England.

Public relations representative Lynda Daboh reported that during the period of February through June 2004, First Public Relations (FPR) generated coverage worth \$2,041,821 and responded to 118 media enquiries on behalf of the CTTC. Major television exposure was achieved with the Republic of Ireland's top travel show, *No Frontiers*, broadcasting two films featuring a central coast fly-and-drive trip. In addition, FPR secured a visit to California for July 2004 with the UK's top travel program, *BBC Holiday*. FPR also organized and completed individual press trips to California with the following publications: *Sunday Times*, *Home Magazine*, *Sunday Express*, *The Herald* and *Independent on Sunday*.



## Tourism by the Numbers

Spring season is generally the start of a busy travel time. Compared to the last reported period, 64 percent more travelers to California ordered informational packets on the CTTC's Web site, and 48 percent more packets were sent from the fulfillment house. Numbers below highlight program activities from February through June 2004.

<b>Calls to toll-free telephone number .....</b>	<b>12,844</b>
<b>Packets ordered on Web site .....</b>	<b>44,948</b>
<b>Packets sent from fulfillment house: .....</b>	<b>80,977</b>
Domestic .....	58,402
Canadian .....	3,552
International .....	6,560
Trade .....	2,136
Student .....	10,327
<b>Packets sent from California Tourism .....</b>	<b>188</b>
<b>Informational calls to California Tourism .....</b>	<b>2,990</b>
<b>E-mails to California Tourism .....</b>	<b>2,601</b>
<b>Assessment calls .....</b>	<b>968</b>

### International contacts<sup>1</sup>

Australia (Consumer & Trade) .....	2,041
Brazil (Consumer & Trade) .....	5,406
Germany (Consumer & Trade) .....	1,631
Japan (Consumer & Trade) .....	1,400
UK (Consumer & Trade) .....	591
Division of Tourism (Trade) .....	4,032

### Research

Contacts .....	146
CA Tourism Research Bulletin — subscribers <sup>2</sup> .....	30
Research section of Web site — visitor sessions <sup>3</sup> .....	4,493

### Media Relations inquiries

CTTC office .....	378
All overseas offices .....	2,025
Press room of Web site — visitor sessions .....	11,232

### California Welcome Centers (contacts)<sup>4</sup>

CWC, Anderson .....	11,370	CWC, Oceanside .....	47,405
CWC, Arcata .....	5,292	CWC, San Francisco .....	178,858
CWC, Auburn .....	15,670	CWC, Santa Ana .....	29,653
CWC, Barstow .....	85,564	CWC, Santa Rosa .....	16,322
CWC, Los Angeles .....	9,539	CWC, Yucca Valley .....	10,036
CWC, Merced .....	17,109		

<sup>1</sup> International numbers do not reflect contacts made during trade show attendance or familiarization tours.

<sup>2</sup> California Tourism's Research Bulletin is the new monthly bulletin that was launched in June 2004.

<sup>3</sup> A visitor session is the number of distinct people who visit the site. This is estimated by grouping together all hits from one Internet provider address, with no more than 30 minutes between each hit, into one user session.

<sup>4</sup> These numbers reflect only walk-in visitors; they don't include information relayed through telephone, e-mail, mail and fax.



## Strategic Planning Underway... continued from page 1

Schwarzenegger and Maria Shriver; the development of *The Best of California* television series; the financial leveraging of an additional \$100 million from 1998–2003 to run over 20 cooperative marketing programs, such as Shop California, Dine California, Culture California and California Outdoor Recreation; and the creation of 11 California Welcome Centers that have become a national model.

### Funding Realities

Many of these programs were born and expanded under the fully funded \$14 million tourism marketing budget that included both state and assessed business funds at approximately \$7 million each. However, as the state of California continues with severe budget challenges, tourism is currently receiving no public funding, and as a result, the CTTC is operating at a base level of approximately \$7 million coming from assessed business revenues for the 2004–2005 fiscal year. Looking at the Travel Industry Association of America's (TIA's) most recent ranking of state tourism office budgets, California is in 30th position, behind such states as Alabama, Mississippi and South Dakota.

### Strategic Planning Committee and Process

In an attempt to remain competitive with other tourism destinations, CTTC officers and travel-industry leaders initiated a strategic planning process to explore increasing the tourism budget through a variety of industry-driven funding options. In July 2004, Vice Chair Ted Burke established the CTTC Strategic Planning Committee and conducted a few

initial meetings to determine a process by which the travel industry itself would create a new methodology and structure for the assessment process. On September 14, an all-day session was held in Sacramento to continue this process.

### Overall Goals

To date, the Strategic Planning Committee has principally discussed future funding goals for the CTTC to remain competitive amongst other destinations. At the September 14 meeting, motions were passed to: achieve new and higher funding levels through assessment revenues — specifically \$15 million in the first year, \$20 million in three years and \$25 million in five years; re-establish state funding to at least the previous level of \$7.2 million; and create an Information and Regulations Taskforce.

Overall preliminary recommendations also included: keeping the assessment rate at \$450 per \$1 million of tourism revenue; eliminating the ability for businesses to easily claim exemptions by establishing revenue reporting standards and proof of estimated tourism sales; lowering the minimum revenue threshold level to be assessed; and setting assessment tables/tiers in each category to represent various percentage levels of sales that would then determine flat-rate assessment amounts.

### Specific Recommendations Based on Assessment Categories

- Accommodations: reduce the gross receipt threshold from \$1 million to \$500,000; and add new segments, including vacation home rentals and hostels.

- Restaurants: reduce gross receipts threshold from \$1 million to \$500,000, with a minimum assessment of \$90; and establish three tiers of assessable businesses that would represent flat-rate assessment amounts.
- Retail: ensure that large retail districts are identified and pay appropriate assessment amounts; set a low minimum percentage such as 5 percent, with a minimum payment of \$90; keep the dollar threshold the same for the segments, either \$500,000 or \$1 million; and set a flat-rate percentage so companies don't have to spend time and money establishing a level of tourism.
- Attractions and Recreation: establish a system with three tiers of the leisure segment — high, medium and low; and set a flat rate of assessment for each tier.
- Transportation and Travel Services: establish a tiered system down to a \$300,000 dollar threshold; have the travel agencies and gas stations pay on gross revenues, not gross receipts; and add the industry segments of airline charters and hot air ballooning.

### Next Steps

The Strategic Planning Committee is scheduled to have solid recommendations to put forth at a proposed tourism summit in January 2005. The tourism summit is scheduled to coincide with the American Lodging Investment Summit (ALIS) in Los Angeles, which is attended by major CEOs, owners and adventure capitalists in the lodging industry, and at which Governor Schwarzenegger is invited to participate.

### Impacts of Increased Funding

It is estimated that everything else remaining constant, if the Commission is successful in getting the existing segments to pay fairly, revenues would rise from \$7 million to approximately \$15 million. Based upon the TIA study, this funding level would move California from 30th to 11th. In order to be optimally competitive and capture more market share, the ideal budget level would be \$25 million, placing California at 6th.

It is also important to keep in mind that promoting California tourism is a cooperative process, and as a state, we can have a much larger presence throughout the world in attracting potential visitors than any one individual hotel or restaurant could ever achieve. By leveraging cooperative funds on specific programs, we will

continue to expand funding at a minimum rate of three-to-one. This exponential factor means if we can raise California's base tourism budget to \$15 million, we can generate cooperative funds to increase that budget to \$45 million.

At these higher budget levels, the CTTC would be able to institute a global marketing program that would include: a national advertising plan; increased international efforts with regards to trade shows, sales missions and year-round trade and media representation offices; expanded cooperative marketing programs; and the potential of revolutionary marketing efforts like the *Adventures in Wild California* IMAX film. It is exciting to consider the possibilities and just how much we could raise California's visibility and awareness as a premier travel destination!

### The Future

Be assured that CTTC leadership and the Strategic Planning Committee will continue to work aggressively with the industry to restructure the assessment program in an effort to achieve an effective and ideal budget — one that will allow the CTTC to continue to produce and maintain innovative programs and raise California's market share. As the old saying goes, a rising tide lifts all ships! In other words, all businesses can only benefit from a healthier travel industry in California.

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Claire Bilby and Ted Burke took over as Vice Chairs of the CTTC in February 2004. Bilby serves as the CTTC Vice Chair of Marketing and is Vice President of Sales and Distribution Marketing for Walt Disney Parks and Resorts. Burke serves as the CTTC Vice Chair of Executive Operations and is the Owner of Shadowbrook Restaurant.

## New Developments In Key Pacific Rim Markets... continued from page 2

our friends at United Airlines, one of the CTTC's key airline partners, Vietnam will be a key emerging market to watch. On December 10, United Airlines is scheduled to begin direct service from San Francisco International Airport (SFO) to Ho Chi Minh City. The new direct service is truly historic, as no American-flagged carrier has flown to Vietnam in the last 30 years.

This market actually represents tremendous potential for California — our state is home to one of the largest Vietnamese communities in the world, with over 1.5 million Vietnamese Americans residing

in both the San Francisco Bay Area and the Los Angeles/Orange County regions. Vietnam is slowly developing a growing middle class that desires to visit family and friends in the United States. Thus, the CTTC has pledged its support in promoting this new airline route with a variety of promotional activities, including a major inaugural flight, to encourage in-bound travel from Vietnam in the future.

As a key Pacific Rim destination, it is important that California remains the first stop and key point of U.S. entry for critical Asian markets. We must do what we can

to keep a strong California presence in the marketplace and protect against the urge for fly-overs to competing states and destinations. To that end, the CTTC and its travel industry partners will continue to develop unique promotional programs that focus on Asia as a significant source of in-bound travel.

**DIRECTOR'S  
COLUMN**



# Research

## Who Visits [www.visitcalifornia.com](http://www.visitcalifornia.com)?



By Tiffany Urness, Research Manager, California Tourism

**In the late 1980s, as the Internet came into full bloom and destination Web sites burst onto the scene, travel researchers faced daunting challenges. How would this new medium and travel marketing tool be measured? With the anonymity of the Internet, would there ever be a way to know who was visiting destination Web sites, and what their expectations were? How would marketers ever know if the intended targets were being reached? Would electronic information make printed information obsolete?**

**Rather than wait for the dust to settle on all the methodology issues, California Tourism decided to undertake several benchmark studies. Through observation and experience, we would learn, over time, whether findings were consistent, logical and comparable to results from other sources.**

**Our longest running project has been a continuous online survey of Web users, originally launched in 1998, that has appeared on the [www.visitcalifornia.com](http://www.visitcalifornia.com) home page and other locations on the site. Key findings are highlighted below (significant differences to follow are shown in bold).**

The consistency of the demographics has been high over the years.

	1st Qtr. 1999	1st Qtr. 2004
Gender of survey respondents	51.0% female	50.6% female
Children in household	45.5%	44.4%
Average age of respondent	40.0 yrs	37.5 yrs

Where we would logically expect to see differences over time, this occurred. For example, we know that Internet usage overseas lagged behind the United States for many years, but it has recently been growing at a faster rate than domestic usage. A higher rate of Internet use abroad should translate to a higher rate of foreign residents visiting our Web site, and should also yield a higher percentage of survey responses from overseas. Results confirmed this.

Residence of respondent	1st Qtr. 1999	1st Qtr. 2004
Foreign	11.7%	<b>19.3%</b>
Another state	58.3%	<b>64.1%</b>

From other sources, we are seeing that the average trip planning timeframe is becoming shorter, which is also in line with our Web survey findings, though in a less pronounced manner.

	1st Qtr. 1999	1st Qtr. 2004
Planning CA trip within three months	38.0%	43.1%

We found that respondents' use of the Internet to make reservations and actual trip bookings has dramatically increased, consistent with widely reported findings from other sources.

	1st Qtr. 1999	1st Qtr. 2004
Ever made air reservations online	20.7%	<b>73.4%</b>

These areas of consistency and predictability are positive signs, though not yet proof positive, that our Web surveys are measuring actual consumer behavior.

### Other findings of interest include:

The overwhelming majority of our Web site users are repeat visitors to California, and usage by first time visitors has declined.

	1st Qtr. 1999	1st Qtr. 2004
Never been to CA before	31.0%	<b>25.3%</b>



Web site visitors planning trips to or through California seem to indicate greater interest in more activities.

Activities planned	1st Qtr. 1999	1st Qtr. 2004
Visit attractions	82.6%	<b>88.3%</b>
Play sports	52.3%	52.7%
Nature activities	78.1%	<b>87.9%</b>
Cultural activities	57.4%	<b>67.8%</b>
General sightseeing	53.5%	<b>60.3%</b>
Dining	27.1%	<b>31.8%</b>
Night life	40.6%	<b>54.4%</b>
Shopping	21.3%	<b>29.3%</b>
Visit friends and family	38.1%	34.7%

Consumer reliance on search engines continues to outpace other sources.

Found CA Web site	1st Qtr. 1999	1st Qtr. 2004
Search engine	31%	<b>50.0%</b>
Print media	11.6%	9.0%
Personal recommendation	*	*
Web link	27.1%	<b>19.7%</b>
TV	*	*
Other	23.2%	<b>12.8%</b>

\* Insufficient sample size

Users of the California Tourism Web site continue to consider it an important source of destination information.

Importance of CA Web site to travel plans	1st Qtr. 1999	1st Qtr. 2004
Very important	40.4%	40.8%
Somewhat important	53.8%	51.0%
NET	94.2%	91.8%

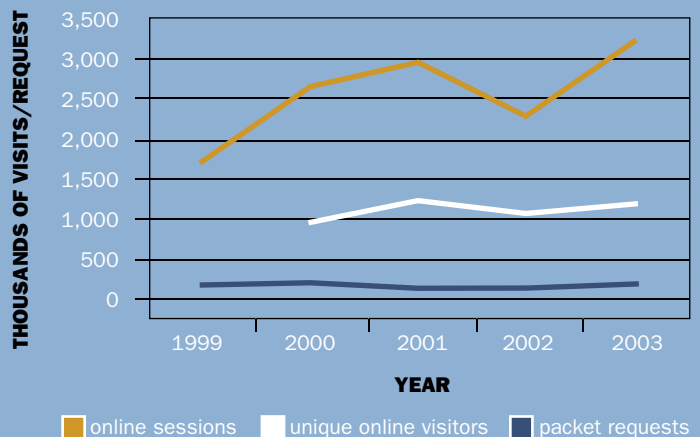
The important usage of [www.visitcalifornia.com](http://www.visitcalifornia.com) was also confirmed in the April 2004 report on the 2003 California Tourism fulfillment program, where 90.3 percent of Web site visitors contacted said that they were very or somewhat likely to use the site for future trip planning.<sup>1</sup>

Automated Web tracking software is another important source of Web usage data and trends, and when analyzed in conjunction with traditional fulfillment tracking, helps shed some light on the relationship between printed and electronic information. We know that in prior years, where travelers once requested a California visitor's guide and then perhaps found the Web site, today they tend to go to the Web site first. At California Tourism, [www.visitcalifornia.com](http://www.visitcalifornia.com) is now the source of 52.5 percent of all printed packet requests — surpassing phone calls, mail and reader response cards.<sup>2</sup> Marketers design electronic brochures not to replace printed literature, but to enhance the online experience until printed materials can arrive.

Of course, California is affected by many of the same trends that impact the rest of the country. Nationwide, the Travel Industry Association of America (TIA) finds that growth in the number of online travelers who actually use the Internet for travel planning has slowed.<sup>3</sup> Nevertheless, the numbers are still substantial. The same study reports that 67 percent of the 145.7 million U.S. past-year travelers used the Internet, and half of online travel planners also use destination Web sites to plan their trips.

This may partly explain why California's visitor packet inquiries and unique Web visits have both been relatively flat for the past five years.<sup>4</sup> At the same time, the total number of Web site visitor sessions, reflecting repeat usage, has increased. The July 2004 WebTrends report on Web usage for that month indicated that 15 percent of Web site visitors have returned more than once.<sup>5</sup>

California Tourism Online Visits versus Packet Requests



Contrary to early predictions that the need for printed literature would soon be a thing of the past, this has not happened. However, clearly the relationship between electronic and printed information is more complex than initially assumed, and is still evolving. For now, online surveys, Web site user tracking and trend watching are the most effective methods of responding to the question "Who visits [www.visitcalifornia.com](http://www.visitcalifornia.com)?" — and these methods will also continue to evolve.

<sup>1</sup> State of California Tourism Fulfillment Program, Strategic Marketing & Research Inc., April 2004.

<sup>2</sup> Internal fulfillment program e-mail, August 24, 2004.

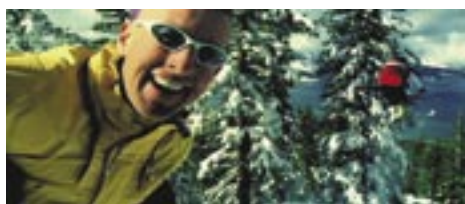
<sup>3</sup> *Travelers' Use of the Internet, 2004 Edition*, TIA, August 2004.

<sup>4</sup> Higher advertising costs, ad budget fluctuations and competition from other destinations are other very significant factors affecting the volume of information requests.

<sup>5</sup> *WebTrends*, a proprietary Web tracking software that quantifies Web visits, user sessions, time of day, pages visited, downloads, visitor packets ordered and other detailed counts, July 2004.

# TRAVEL FORECAST

## Fall 2004–Winter 2005



**Domestic travel to and through California during the fall 2004 and winter 2005 seasons is forecast to increase 4.5 and 4.7 percent respectively, continuing the positive trend noted over the summer. Business travel has been recovering, but growth is coming mainly from day trips. Overnight leisure travel is expected to show a healthy 7.8 percent increase in fall 2004 and 8.4 percent increase in winter 2005.**

	Fall <sup>1</sup> 2004F	Fall 03F/04F % Chg.	Winter <sup>1</sup> 2005F	Winter 04F/05F % Chg.
Total Travel to and through CA	67.4	4.5%	76.5	4.7%
Business	20.2	5.6%	21.7	4.5%
Leisure	47.2	4.1%	54.8	4.7%
Residents	57.4	4.1%	65.3	4.8%
Non-Residents	10.0	6.8%	11.2	4.2%
Length of Stay (days)	2.1	3.1%	2.1	3.2%
Average Expenditures <sup>2</sup> (ppd)	\$88.6	0.6%	\$81.4	0.8%
Total Overnight Travel to and through CA	31.7	5.8%	36.0	6.8%
Business	7.0	-0.6%	7.5	1.3%
Leisure	24.7	7.8%	28.4	8.4%
Residents	23.0	5.2%	26.7	7.1%
Non-Residents	8.7	7.5%	9.3	6.1%
Length of Stay (days)	3.41	-2.9%	3.54	-1.7%
Average Expenditures <sup>2</sup> (ppd)	\$91.1	1.1%	\$86.3	1.9%

F = forecast

All volume figures are in millions of person-trips. Expenditures are per person per day (ppd).

<sup>1</sup> Fall = September, October, November; Winter = December, January, February.

<sup>2</sup> Excludes transportation expenditures.

This seasonal forecast from D.K. Shifflet & Associates Ltd. reflects their enhanced seasonal forecasting method. The method, which is based on the ARIMA (Box-Jenkins) forecasting method, utilizes seasonal data from the past four years to advance the forecasting period through the present season and well into the future.

RESEARCH ARTICLES CONTAINED IN *INSIGHTS* MAY BE REPRODUCED WITHOUT PERMISSION. HOWEVER ACKNOWLEDGEMENT IS APPRECIATED. COMMERCIAL INFORMATION USED IN THIS BULLETIN DOES NOT CONSTITUTE AN ENDORSEMENT. FOR ADDITIONAL STATISTICS OR A RESEARCH ORDER FORM, SEE [WWW.VISITCALIFORNIA.COM](http://WWW.VISITCALIFORNIA.COM) AND CLICK ON "TRAVEL INDUSTRY." SEND INQUIRIES AND CORRESPONDENCE TO: RESEARCH — CALIFORNIA TOURISM, 980 9TH STREET, SUITE 480, SACRAMENTO, CA 95814-2722, [RESEARCH@CTTC1.COM](mailto:RESEARCH@CTTC1.COM).

## California Welcome Centers (CWCs)

	Jan. 04	Feb. 04	Mar. 04	Apr. 04	May 04	Jun. 04	1st and 2nd Qtr. Total Visitors	2004 YTD % Chg. 03/04
	Number of Visitors							
CWC, Anderson	2,742	1,561	2,047	2,328	2,836	2,598	14,112	-3.7%
CWC, Arcata	619	596	821	956	1,191	1,728	5,911	-5.9%
CWC, Auburn	1,879	2,567	2,795	3,240	4,293	2,775	17,549	399.0%
CWC, Barstow	19,425	17,255	9,719	9,631	22,531	26,428	104,989	135.2%
CWC, Los Angeles	1,428	1,439	1,573	1,975	1,562	2,990	10,967	7.0%
CWC, Merced	2,660	2,667	3,087	2,767	3,843	4,745	19,769	-12.9%
CWC, Oceanside	7,288	8,499	9,885	9,901	8,665	10,455	54,693	69.1%
CWC, San Francisco	19,898	24,038	27,564	36,482	38,646	52,128	198,756	17.3%
CWC, Santa Ana	6,235	5,878	6,050	6,323	5,693	5,709	35,888	13.0%
CWC, Santa Rosa <sup>1</sup>	2,269	2,405	2,877	3,401	3,515	4,124	18,591	NA
CWC, Yucca Valley	1,699	2,151	2,067	1,932	2,493	1,393	11,735	3.8%

<sup>1</sup> opened July 2003

Sources: California Welcome Centers in Anderson, Arcata, Auburn, Barstow, Los Angeles (Beverly Center), Merced, Oceanside, San Francisco (PIER 39), Santa Ana, Santa Rosa and Yucca Valley.





## Lodging Report

Location	Jan. 04	Feb. 04	Mar. 04	Apr. 04	May 04	Jun. 04	2004 YTD % Avg.	2004 YTD % Chg. 03/04
% Average Occupancy Rates								
United States	50.0	57.9	62.7	62.4	62.2	68.1	60.5	4.3
Pacific	56.8	63.7	66.3	65.6	65.8	72.0	65.0	6.2
California	58.8	65.3	67.8	67.6	66.7	71.2	66.2	6.3
California Central Coast	53.0	59.8	62.1	69.2	66.5	70.3	63.4	3.9
California North	47.3	52.4	56.5	60.4	64.1	70.3	58.5	0.5
California North Area	46.5	51.8	55.9	58.8	61.6	69.3	57.4	1.4
California North/Central	56.7	58.3	60.8	62.9	58.9	64.7	60.4	-1.6
California South/Central	52.2	61.1	64.5	67.0	66.3	69.2	63.4	5.0
Anaheim/Santa Ana	62.4	68.8	73.7	71.3	66.7	75.4	69.7	7.9
Bakersfield	53.8	61.7	68.0	65.6	63.8	65.7	63.1	4.0
Eureka/Crescent City	45.7	45.9	49.9	53.0	60.7	71.4	54.3	6.9
Fresno	52.2	61.8	63.8	70.0	68.8	73.0	64.8	5.0
Inyo/Kings/Tulare	49.2	58.9	59.9	64.3	66.5	68.9	61.2	6.6
Los Angeles/Long Beach	67.6	75.0	73.2	71.2	70.8	74.0	71.9	9.1
Oakland	49.0	54.0	55.4	55.1	57.9	63.3	55.8	5.1
Redding/Chico	55.1	50.9	57.8	61.0	63.1	70.9	59.6	-1.7
Riverside/San Bernardino	67.6	71.2	74.0	70.3	63.5	63.0	68.2	2.6
Sacramento	54.0	60.9	63.7	60.9	64.5	69.5	62.3	2.5
San Diego	64.8	72.4	73.2	76.0	70.4	75.7	72.0	5.6
San Francisco/San Mateo	51.0	59.6	67.3	66.1	72.7	76.6	65.6	12.7
San Jose/Santa Cruz	51.4	55.6	60.2	57.1	57.4	62.6	57.5	5.9
Santa Rosa/Petaluma	40.2	46.1	52.9	57.6	63.3	67.5	54.7	1.3
Stockton/Modesto	56.9	59.2	64.4	64.4	68.3	72.5	64.3	-3.0
Vallejo/Fairfield/Napa	49.6	60.5	61.6	67.1	69.8	72.9	63.4	-1.9

Source: Smith Travel Research

## New Research Reports from California Tourism

### California 2003 Domestic Travel Report

Although the U.S. economy maintained steady growth in 2003 and leisure travel increased overall, California failed to benefit from the rally, due largely to the continued poor performance of the business travel sector. The annual report on travel by U.S. residents to and through California in 2003 includes: detailed tables on visitor volume, market share, traveler spending, destination ratings, visitor origins and demographics. Prepared for California Tourism by D.K. Shifflet & Associates Ltd., August 2004.

### A Market Profile of Overseas Visitors to California

This annual report on travel by overseas visitors to and through California in 2003 is compiled from the U.S. Office of Travel and Tourism Industries in-flight surveys. Prepared for California Tourism by CIC Research, Inc., July 2004.

The reports may be downloaded for free on [www.visitcalifornia.com](http://www.visitcalifornia.com) (click on "Travel Industry" to access "Research and Statistics"). For a \$5 charge, reports may also be ordered via fax at 916-322-3402 or by contacting: Research — California Tourism, 980 9th Street, Suite 480, Sacramento, CA 95814-2722. Fees are waived for public agencies, non-profits and students upon request.

## California Tourism's New Research Bulletin

Monthly research bulletins from California Tourism are now available through free e-mail subscription or may be viewed at [www.visitcalifornia.com](http://www.visitcalifornia.com). Bulletins include a variety of statistics on key travel indicators, including: hotel occupancy and international arrivals, highlights of new research studies, links to other research resources and downloadable versions of California Tourism reports. To subscribe, send a request to Tiffany Urness, Research Manager, at [research@cttc1.com](mailto:research@cttc1.com).

COMING  
SOON!

# Tourism Event Calendar

## November 2004

<b>8-11</b>	World Travel Market (WTM)	London, England
<b>10-13</b>	Japan Trade Mission	Tokyo, Japan
<b>12-16</b>	National Tour Association Convention	Toronto, Canada

## December 2004

<b>1</b>	CTTC Media Reception and Marketplace	Los Angeles, California
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## January 2005

<b>17-21</b>	Mexico Sales Mission/CVA	Mexico City and Guadalajara, Mexico
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## February 2005

<b>4-9</b>	American Bus Association Convention	Chicago, Illinois
<b>13-17</b>	California Travel Market	Sacramento and South Lake Tahoe, California
<b>22</b>	CTTC Media Reception and Marketplace	New York City, New York

## March 2005

<b>11-15</b>	International Tourism Exchange Boerse (ITB)	Berlin, Germany
<b>28-31</b>	California Conference on Tourism	Hollywood, California

## CTTC Insights

### State of California

**Arnold Schwarzenegger**, Governor

**Sunne Wright McPeak**, Secretary, California Business,  
Transportation and Housing Agency,  
Chair, CTTC

### CTTC

**Caroline Beteta**, Executive Director

**Jennifer Jasper**, Deputy Director, Communications

**Lisa Kruttschnitt**, Director of Public Affairs, *Insights* Editor

**Leona Reed**, Communications Coordinator,  
*Insights* Assistant Editor

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## Have you had a name or address change?

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